VZCZCXRO0380 PP RUEHLMC DE RUEHLP #3045/01 3232118 ZNY CCCCC ZZH P 192118Z NOV 07 FM AMEMBASSY LA PAZ TO RUEHC/SECSTATE WASHDC PRIORITY 5656 INFO RUEHAC/AMEMBASSY ASUNCION 7284 RUEHBO/AMEMBASSY BOGOTA 4652 RUEHBR/AMEMBASSY BRASILIA 8560 RUEHBU/AMEMBASSY BUENOS AIRES 5784 RUEHCV/AMEMBASSY CARACAS 3004 RUEHGE/AMEMBASSY GEORGETOWN 0440 RUEHPE/AMEMBASSY LIMA 3204 RUEHMD/AMEMBASSY MADRID 3667 RUEHMN/AMEMBASSY MONTEVIDEO 4995 RUEHPO/AMEMBASSY PARAMARIBO 0138 RUEHQT/AMEMBASSY QUITO 5639 RUEHSG/AMEMBASSY SANTIAGO 0249 RUEATRS/DEPT OF TREASURY WASHINGTON DC RUEHUB/USINT HAVANA 0679 RHMFISS/HQ USSOUTHCOM MIAMI FL RUMIAAA/USCINCSO MIAMI FL RUEHLMC/MILLENNIUM CHALLENGE CORP RHEHNSC/NSC WASHINGTON DC

C O N F I D E N T I A L SECTION 01 OF 02 LA PAZ 003045

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E.O. 12958: DECL: 11/19/2017

TAGS: ECON PGOV PREL BL

SUBJECT: EVO TO USAID: "YOU HAVE THE RIGHT NOT TO HELP US"

REF: A. LA PAZ 2960

¶B. LA PAZ 3002

Classified By: EcoPol Chief Mike Hammer for reasons 1.4 (b) and (d).

SUMMARY

11. (C) During a November 19 press conference President Evo Morales again criticized USAID for putting "conditions" on its help and claimed that the majority of USG aid is funneled back to the U.S. Evo opened the door for USAID to leave Bolivia, stating that "this (conditional) aid program has the right not to help us." Embassy sources say the Venezuelans are pushing Morales and his cabinet to make conditions extremely difficult so as to cause USAID to decide to withdraw from Bolivia. Morales also reiterated his claims that the United States is conspiring against him. End summary.

EVO: USAID IS FREE TO LEAVE

12. (U) In a November 18 press conference President Evo Morales referred to the recent presidential decree overseeing aid programs and said that USAID programs will be required to "submit to Bolivian norms" (Ref A). Morales told the press that the United States has sent large sums of money throughout the years to Bolivia but that through different mechanisms USAID ensured that the majority of the funds returned to the United States (Note: the GOB on several occasions has claimed that more than eighty percent of USAID funds are channeled back to the U.S.). Morales openly questioned USAID by asking "what help is it when the aid doesn't stay in the country but rather in name only and the contributions directly benefit their own country?" Morales went on to say that "unconditional help is welcome, any unconditional help is welcome, but if it is not transparent, no. This aid program has the right not to help us, we just

want transparency."

13. (U) Morales continued his lack of transparency attack by evoking President Jimmy Carter. Evo told reporters "What are they (USAID) afraid of, what are they hiding? I learned from Jimmy Carter, ex-President of the United States, about transparency. If Carter says it, its not understandable that the government of the United States does not want to be transparent." Evo asserted that the country must stop being a colony of the United States.

WORN OUT CLAIM OF CONSPIRACY

14. (U) Evo also took the occasion to once again say that the United States is conspiring against him, although his comments were somewhat more restrained than earlier remarks (Ref B). Referring to Bolivian Ambassador Guzman being convoked to explain Evo's conspiracy claims, he demanded that "instead of telling us enough of the lies it would be important that they (USG) tell the head of their embassy to stop conspiring against our government, that would be the best thing they could do if they (the U.S.) are a democratic government." Morales mentioned the photograph of Ambassador Goldberg and a Colombian citizen currently under arrest in Santa Cruz for burglary. Evo said he has "proof" that the Colombian is a paramilitary. (Note: the Colombian ambassador to Bolivia has repeatedly stated publicly that the individual in question has no criminal record or paramilitary ties in Colombia.) Morales made clear, however, that Boliva would not break ties with the United States "because Bolivia encourages the culture of dialogue, but, that does not mean

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because we are a small country with economic problems that other countries can humiliate us."

COMMENT

15. (C) Evo picked a slow news weekend to renew his attacks against USAID and the Ambassador, although his tone was less acerbic than previously. Sources tell us that the Venezuelans are strongly pushing Evo to tighten the screws to the point of making it so difficult for USAID to operate in the country that it will force us to withdraw. Getting USAID to withdraw would give Evo greater control of the economy and allow him to claim the United States has abandoned Bolivia's poor. End comment. GOLDBERG